



## Water Treatment Equipment & Systems | Rentals · Sales · Services

MIDWEST  
800.526.1999

SOUTHEAST  
800.241.7833

SOUTHWEST  
800.893.5937

MID-ATLANTIC  
800.204.0321

NORTHEAST  
877.426.1912

October 13, 2014

Phillip Joseph  
CB&I Federal Services LLC  
1725 Duke Street, Suite 400  
Alexandria, VA 22314  
Tel: 202.261.1929  
Cell: 617.852.8369  
Fax: 202.261.1955  
[Phillip.Joseph@CBIFederalServices.com](mailto:Phillip.Joseph@CBIFederalServices.com)

Re: Proposal Number: 39141  
Project Name: 4904 Griggs Road  
Project Location: Houston, TX

Dear Phillip:

Carbonair is pleased to be able to provide this proposal for the referenced project. This proposal is based on the specifications dated 10/9/14. For pricing and bid items please see attached statement of work (SOW).

Shipping weights of the equipment proposed –

- 5K Vessel loaded with GAC – 9,000lbs
- 10K vessel loaded with GAC – 19,250lbs

### NOTICE

THIS DOCUMENT AND ITS CONTENTS ARE PROPRIETARY TO CARBONAIR ENVIRONMENTAL SYSTEMS, AND MAY NOT BE COPIED, DISTRIBUTED OR USED BY ANYONE, IN WHOLE OR IN PART, WITHOUT THE EXPRESS AUTHORIZATION OF CARBONAIR.

THE CONTENT OF THIS DOCUMENT HAS BEEN DEVELOPED BY CARBONAIR TO ADDRESS SPECIFIC FACTUAL INFORMATION. IT MAY BE BASED ON INFORMATION AND ASSUMPTIONS THAT ARE NOT DISCLOSED WITHIN THIS DOCUMENT, BUT REFLECT CARBONAIR'S KNOWLEDGE AND EXPERIENCE. THE INFORMATION IN THIS DOCUMENT SHOULD NOT BE USED OR RELIED UPON BY ANYONE WITHOUT THE COOPERATION OR ASSISTANCE OF CARBONAIR TO FULLY UNDERSTAND ITS INTENDED APPLICATION AND USE.

### Notes/Assumptions

1. The actual equipment to be used on this project is based upon availability at time of order. Carbonair may substitute equivalent or larger equipment at time of shipment as needed.
2. The filter media prices quoted are based upon current market price for the media quoted. These prices are subject to change without notice.
3. Onsite fueling, oiling of equipment, and sampling by others.
4. Loading and unloading of equipment to be completed by others.

### Carbon Exchange Service

Carbonair has the capability to provide on-site exchange and disposal of spent filter media for this project or any other sites that may require this service. Carbonair would be happy to provide a proposal for this or any others project that you are working on. Please call me or your local Carbonair Service office (see our website at [www.carbonair.com](http://www.carbonair.com) for the nearest office) if we can be of any assistance.

## General Conditions

- All rentals subject to equipment availability and the terms of the attached Rental Agreement.
- Rental term begins the day the equipment is shipped from Carbonair's facility and ends the day it is received back at Carbonair's facility.
- **All invoices are due paid when paid not to exceed 45 days.**
- Damage deposits will be returned within 10 days of receipt and inspection of returned equipment and determination that no damage has been incurred. Charges for repairs to damaged caused by Rentee will be deducted from the damage deposit. Any additional charges (greater than the damage deposit) due to damage of the equipment will be invoiced at that time and are due upon receipt.
- Proposal and pricing valid for 15 days.
- This proposal and pricing is based on our interpretation of the sections of the RFP or specification that have been made available to us. Exceptions have been noted wherever possible. In the event of a conflict between the language in the specification and the proposal, the language in the proposal takes precedence and is the basis of the proposed pricing. Carbonair reserves the right to reject any order based on differences in pricing. Carbonair reserves the right to reject any order based on differences in interpretation of the specification, or for any reason, at the time the order is tendered.
- Carbonair will not initiate work without a fully executed Rental Agreement.
- The proposed equipment can generally be shipped within 1-3 weeks after receipt of Rental Agreement. Actual shipment timeframe will be updated at the time of order execution.
- Shipping charges are estimated. Actual freight costs will be pre-paid and added to the invoice.
- **Sales tax is not included in the prices quoted. The customer must pay all applicable Federal, State and Local sales or use taxes.**

For **shipments** to the states of California, Colorado, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, Wisconsin and the District of Columbia: **State and local sales and use tax will be added to the invoice, unless a valid sales/use tax exemption certificate is supplied with the contract or purchase order for this project. Exemption certificates must be supplied at the time of order.**

For **shipments** to any other states: **The prices quoted do not include any state or local sales/use taxes. Customer is responsible for paying any applicable state and local taxes. An affidavit certifying payment of sales/use tax (attached) or a valid exemption certificate will be required at time of order.**

If you have any questions or comments concerning this information, please feel free to call me at 763-355-2429. **Thank you for the opportunity to bid on this project.**

Sincerely,



Kyle Leng  
Sales Manager

### **Equipment Rental Terms and Conditions**

1. **ACCEPTANCE.** Once an accompanying Proposal has been signed and accepted, the Proposal in conjunction with these terms and conditions becomes a binding contract incorporating the terms specified herein. Lessee agrees to lease and Carbonair agrees to furnish the Equipment listed in accordance with the terms and conditions set forth herein.
2. **RENTAL PERIOD.** The rental period is specified in the attached Proposal. If the equipment is not returned to Carbonair by the end of the rental term, rental charges will continue to accrue on a day to day basis. These charges will be assessed for each day or portion thereof that the equipment is not returned to a Carbonair facility. It is the responsibility of the Lessee to arrange for the return of the Equipment to Carbonair. All costs with demobilization, shipping, decontamination, laboratory testing, and equipment repair will be borne by the Lessee.
3. **PAYMENT.** Payments will be made in accordance with the terms specified in the attached Proposal.
4. **TAXES.** Any local, state or federal sales, excise or use tax imposed on the sale or rental of Equipment, or service work performed under this agreement shall be paid by the Lessee. In the event that any sales or use tax is imposed on Carbonair for any sale or rental hereunder, Lessee agrees to reimburse Carbonair upon invoicing from Carbonair in the amount of liability incurred by Carbonair as a result of such tax.
5. **DELIVERY, INSTALLATION, STARTUP AND DEMOBILIZATION SERVICES.** At the option of the Lessee, Carbonair may provide delivery, installation and startup of the Equipment. In certain cases, because of the risk of damage due to improper startup and/or operation, a Carbonair Field Technician must provide startup assistance and operator training on certain units that may be rented under this agreement. These services (delivery, installation, startup and demobilization) will be provided for the line item price specified in the proposal. Lessee shall provide access for Carbonair to the site for purposes of service and inspection, shall be responsible for obtaining any necessary permits, licenses and other governmental authorizations and for compliance with applicable laws and regulations. These services (delivery, installation, startup and demobilization) shall be provided during the rental period, i.e., after the rental period has commenced and before it is completed. Lessee shall pay for such services upon invoicing for the same in accordance with the payment terms for invoicing under this agreement for rental.
6. **DISCLAIMER.** Carbonair will not be responsible for damage to Equipment or materials through improper storage, improper servicing, or through attempts to operate the Equipment in excess of its rated capacity or recommended use, intentional or otherwise, by parties other than Carbonair or its authorized representatives.
7. **USE OF EQUIPMENT.** Lessee shall not use the Equipment in violation of any environmental law or regulation, or in violation of other laws or regulations. Except as specifically described in this agreement and the attached proposal, Carbonair shall have no authority to use, control or operate the Equipment. It is the Lessee's responsibility to notify Carbonair in writing if the Equipment will come into contact with hazardous material or environmental contaminants. Lessee, at Lessee's expense, shall clean and decontaminate all Equipment at the end of the rental period and before returning it to Carbonair. At the time of the Lessee's return of the Equipment to Carbonair, Lessee shall supply to Carbonair, at Carbonair's request, a written report from a duly licensed and qualified laboratory certifying that such Equipment is free of hazardous materials that had a reasonable possibility of coming into contact with the Equipment. Should the Equipment contain hazardous materials or regulated materials, Lessee shall pay to Carbonair, upon billing from Carbonair, the cost of cleaning the Equipment, and the cost of treating, transporting and disposing of the hazardous materials, the contaminated Equipment, and all wastes, leachates, rinsates, solvents and other material and emissions generated by the cleaning process. Lessee shall not allow the Equipment to come into contact with any substance that will cause corrosion, dissolution or disintegration of, or other damage to, the Equipment, or leakage to the Equipment. If the Equipment is contaminated, corroded or otherwise damaged, in lieu of billing of the cleaning and disposal process set forth above, Carbonair shall have the option of transferring the title of the Equipment to Lessee, and Lessee, upon billing therefore by Carbonair, will pay to Carbonair a sum equal to the then current retail market value of the Equipment (assuming no contamination) plus the cost of treating, transporting, storing and disposing of the Equipment, which acts Lessee shall be deemed to have authorized, in the event Lessee does not pay for, or after payment, does not take possession of, the Equipment within a reasonable period of time. In any event, if Carbonair comes into contact with or is exposed to any hazardous materials or regulated materials in connection with or arising out of either party's performance under this agreement, title to and liability for any hazardous materials or regulated materials will remain with Lessee, unless Carbonair, upon discovery of such hazardous materials or regulated materials, agrees in writing to accept such hazardous materials or regulated materials under the terms of this agreement.
8. **RETURN OF EQUIPMENT.** It is the responsibility of the Lessee to arrange for the return of the Equipment to Carbonair. At the option of the Lessee, Carbonair may provide pickup services and return freight. In the event that Lessee, elects to use Carbonair for such services, Lessee shall accumulate Equipment in a centralized location for convenient pickup by Carbonair. Lessee shall bear all risk of loss or damage to the Equipment until it is picked up or placed into the actual possession of Carbonair at one of its facilities.
9. **RISK OF LOSS OR DAMAGE.** All risk of loss or damage to the Equipment during the rental period, regardless of cause, prior to its return to a Carbonair facility, shall be the responsibility of the Lessee. All Equipment is inspected prior to shipment and immediately upon return to Carbonair. Lessee must notify Carbonair within 8 hours of receipt of any damaged Equipment.
10. **SECURITY DEPOSIT.** A refundable security deposit is required prior to shipment of any Equipment. The amount of the security deposit will be specified in each proposal. The security deposit will be credited to the last rental invoice or refunded within ten business days of the return of the equipment to Carbonair, less any money required to repair damages.
11. **MAINTENANCE.** Lessee shall, at Lessee's own expense, operate and maintain the Equipment in good working order and provide regular operating reports periodically to Carbonair. Carbonair will provide major maintenance labor only as described in the proposal. In the event of equipment failure, replacement parts and equipment will be shipped at the expense of Carbonair, via standard freight. Expedited freight, if required, will be charged to the Lessee. Carbonair will only cover reasonable, pre-approved costs incurred during equipment repair. No repairs shall be made to the equipment without Carbonair's consent. All costs required to repair the equipment due to lack of maintenance (excluding normal wear and tear) will be payable by Lessee, upon billing by Carbonair.



12. **TITLE.** Except in accordance with paragraph 7 of this agreement, title to the Equipment shall remain in Carbonair, it being expressly understood that this is a contract of leasing only and that Lessee shall acquire no right, title or interest, legal or equitable, in or to the Equipment leased hereunder other than as a Lessee. All items of Equipment shall at all times be and remain personal property, however they may be affixed to realty. Carbonair shall be permitted to display notice of its ownership of the Equipment by affixing to each item of Equipment an identifying stencil or plate or any other indication of ownership.
13. **MAINTENANCE, ALTERATIONS OR ATTACHMENTS.** Lessee hereby acknowledges that the Equipment leased hereunder is in good condition and to Lessee's complete satisfaction. Lessee shall at its own cost and expense keep such Equipment in good repair and working order and shall at its expense furnish any further parts necessary to keep same in good working condition. Any such additions shall become the property of Carbonair. Lessee shall pay Carbonair, upon termination of this Lease, any sum Carbonair is required to expend in order to restore the Equipment to good repair and working order, ordinary wear and tear without obtaining the prior written consent of Carbonair. Lessee warrants that all modifications or improvements to the Equipment shall be completed in accordance with all applicable legal and safety requirements. Lessee hereby acknowledges that any improvements or modifications specifically negate and void any warranties applicable to portions of the Equipment affected by the improvement or modification and negates and voids all warranties in total if the improvement or modification changes the purpose or use for which the Equipment was originally intended. Furthermore, Lessee agrees to remove any alterations or attachments before the Equipment is returned to Carbonair, and agrees to pay Carbonair for any charges to restore the Equipment to its original condition.
14. **INDEMNITY.** Lessee agrees to indemnify Carbonair and hold Carbonair harmless from any and all claims, demands, judgments, actions, suits, costs or expenses, including actual reasonable attorney fees, arising from or connected with the injury or damage to persons or property resulting from the Renter's use or operation of the equipment. The provisions of this paragraph shall survive the expiration and termination of any rental period initiated hereunder.
15. **INSURANCE.** Lessee agrees to carry and maintain in force its normal and customary Commercial General and Automobile Liability Insurance coverage and policy limits of at least \$1,000,000 coverage for the injury, death or property damage resulting from each occurrence. Lessee agrees to have its insurance carrier(s) furnish to Carbonair certified copies of such insurance certificate specifying that Carbonair will be notified at least thirty (30) days prior to the effective date of cancellation.
16. **DISCLAIMER OF WARRANTIES.** The warranties applicable to Equipment leased pursuant to this Agreement are set forth herein. Lessee acknowledges that no verbal agreements, contracts or warranties other than what is written in this Agreement have been given or received, and the signature on this Agreement by Lessee acknowledges this fact. Lessee understands and agrees that any implied warranties of "merchantability" or implied warranties of "fitness" of purpose and all other warranties, express or implied, except for express warranties, if any given by Carbonair are expressly excluded. Lessee understands and agrees that its sole and exclusive remedy against Carbonair shall be only as set forth herein. Lessee understands and agrees that no other remedy (including but not limited to claims for incidental or consequential damages, or any cause, loss, action, claim or damage whatsoever, or injury to person or property or any other consequential, economic or incidental loss) shall be available to it, whether said claims for injury or damages be asserted on the basis of warranty, negligence, strict liability or otherwise.

Furthermore, Carbonair shall not be obligated to conduct any tests to determine the quality of the effluent. Lessee assumes sole responsibility for the quality of the resulting effluent, its ultimate disposal and compliance with applicable legal and regulatory requirements. Carbonair shall not be liable for any direct, indirect, incidental or consequential damages arising in connection with the quality of the resulting effluent or the ultimate disposal of such effluent, except to the extent that such damages result from a breach of Carbonair's representations as described in this agreement.

17. **LOSS OR DAMAGE; WAIVER OF INDEMNITY.** Lessee shall bear the risk of any loss, damage or destruction to any Equipment and shall give Carbonair prompt notice thereof. Lessee hereby releases any claim now or hereafter existing against Carbonair on account of, and agrees to defend, indemnify and hold Carbonair harmless from all claims of Lessee and/or third parties (including without limitations, claims based upon strict liability and tort or for consequential damages), losses, demands, suits and judgments, and all costs and expenses incurred in connection therewith, including reasonable attorneys' fees, which may result from or arise at any time out of the selection, purchase, delivery, condition, use, operation, ownership, maintenance or repair of any Equipment or which may be attributable to any defect in any Equipment, arising from the material used therein or from the design, manufacture or testing thereof, regardless of when such defect shall be discovered, and whether or not such equipment is in the possession of Lessee.
18. **ASSIGNMENT.** Lessee shall not assign, transfer or otherwise dispose of its rights under this lease nor shall Lessee loan, sublease, hypothecate or otherwise transfer or encumber the Equipment. All rights of Carbonair hereunder may be assigned, pledged, mortgaged or otherwise disposed of, in whole or in part, with or without notice to Lessee, but subject to Lessee's rights under this Lease.
19. **EVENT OF DEFAULT.** Each of the following shall constitute an ("Event of Default"); (a) Lessee shall fail to make any payment to Carbonair when due hereunder or fail to observe or perform any covenant, agreement or warranty made by Lessee hereunder; (b) Any representation or warranty of Lessee contained herein or in any documents furnished to Carbonair in connection herewith shall be incorrect or misleading when made; (c) Any piece of Equipment shall become lost, stolen, destroyed, irreparably damaged or subject to any sale, lien claim, security interest or encumbrance (other than in favor of Carbonair or its assignee); (d) Any default shall occur under any other agreement between Lessee and Carbonair or any entity related to or affiliated with Carbonair; (e) Lessee or any guarantor of this Lease shall cease to do business, become insolvent, make an assignment for the benefit of creditors or file any petition under bankruptcy, reorganization, insolvency or moratorium law, or any other law for the relief of debtors; (f) any involuntary petition shall be filed under any bankruptcy statute against Lessee or any guarantor of this Lease or any receiver trustee or similar official shall be appointed to take possession of the properties of Lessee or any guarantor of this Lease unless such petition or appointment ceases to be in effect within 30 days of said filing or appointment; (g) Lessee shall use any trade name, assumed name, or other name except Lessee's name stated above; (h) Lessee shall change its state of organization without Carbonair's prior written consent; or (i) Lessee shall fail to give Carbonair prior written notice of any change in Lessee's address, of Lessee's name or of Lessee's use of any other name.
20. **REMEDIES.** If an event of Default shall occur, Carbonair may, at its option, exercise any one or more of the following remedies; (a) Declare all amounts due or to become due under this Lease, immediately due and payable; (b) Recover any additional damages and expenses sustained by Carbonair by reason of any covenant, representation or warranty contained in this Lease; (c) Enforce its ownership interest in the Equipment in



which event Lessee agrees to make the equipment available to Carbonair at a place or places acceptable to Carbonair and Carbonair shall have the right to take possession of the Equipment without legal process for which purpose Carbonair may enter any premises where the Equipment may be found without legal process and without breaching the peace; (d) Carbonair may retain all payments made by Lessee as liquidated damages for the non-performance of this Lease, for use of the Equipment and for depreciation thereof.

21. **GOVERNING LAW.** This Agreement (the attached proposal and all attached terms and conditions) shall be construed, and the rights and remedies of the parties shall be determined, in accordance with the internal laws of Minnesota.
22. **ENTIRE AGREEMENT.** These terms and conditions along with the attached proposals and additional terms and conditions, and any resulting invoices constitute the entire Agreement between the parties hereto, and supersede all prior oral or written proposals and communications related to this Agreement. This Agreement may not be changed except by written amendment signed by both parties.

**Schedule of Price**  
**USEPA Region 6- Dated 10.9.14**  
**Contract EP-S6-07-02 Task Order 62**  
**CES Environmental Services, Inc. - Houston**

Line Item	Quantity	Unit Price	Extended Price
Carbon Unit 4,000 or 5,000 lbs	1-2 Months	\$ 1,100	\$ 2,200
Carbon Unit 10,000 lbs	1-2 Months	\$ 2,600	\$ 5,200
* Revert Carbon for Unit	10,000 lb	\$ 1.08/lb	\$ 10,800
Delivery	2	\$ 1,500	\$ 3,000
Pick up	2	\$ 1,900	\$ 3,800
Fuel Surcharge	4	0	0

All pricing plus tax, if applicable.

\*Note: All quantities are estimates. Payment will be made based on the actual quantities incurred.

**Subcontractor Certifies Below: I have read, understand, and agree to the Terms & Conditions\* and all other information within the RFP AND Offerors' pricing includes ALL tasks/items as shown in this RFP.**

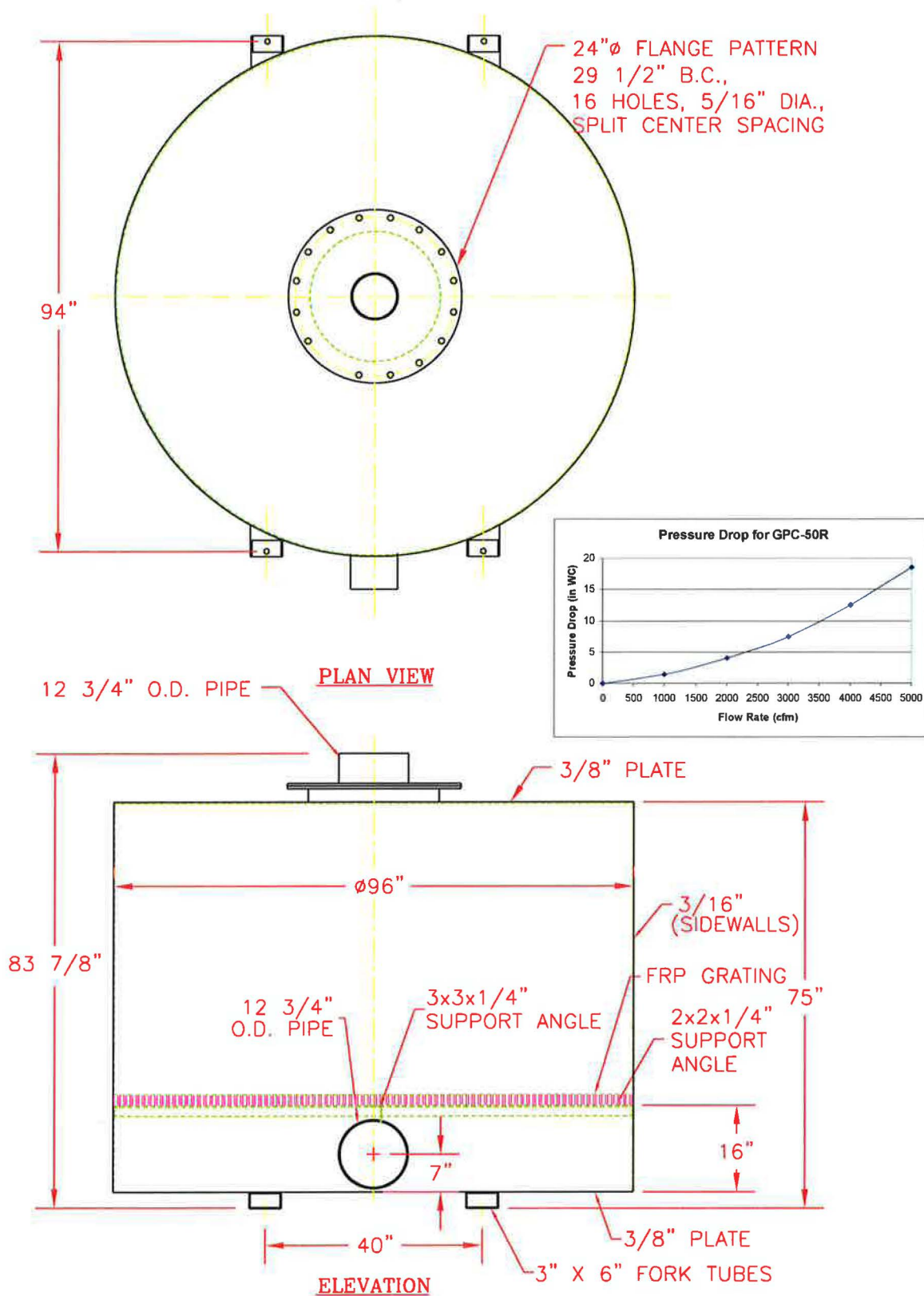
Company Name (Subcontractor): Carbonair Env.  
 Address: 4889 Hunter Road, Bldg 1-C San Marcos, TX 78666  
 Print Name: Kyle Leng Title: Sales Manager  
 Signature: [Signature] Date Signed: 11/13/14  
 Telephone#: 763-355-2424 FAX: 651-202-2485

Please mark all that apply: (if none marked we will assume Large Business)  
☒ SB (Small Business) ☐ SDB (Small Disadvantaged Business)  
☐ WOB (Woman-owned Business) ☐ MBE (Minority Business Entity)  
☐ LB (Large Business) ☐ Other

\*Carbonair offer exception to paid when paid terms. Carbonair proposes paid when paid not to exceed 45 days in accordance with previous agreements between CES \* CB&I.



Carbon Adsorber – Vapor Phase  
GPC-50R



Carbon Adsorber-Vapor Phase  
GPC 120

